

**MANSURA VOLUNTEER
FIRE DEPARTMENT, INC.**

Financial Report

For the Year Ended June 30, 2014

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Roy K. Derbonne, JR., LLC

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

Tel: 318-445-6778
Fax: 318-445-8967

Member
Society of Louisiana C.P.A.'s

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Mansura Volunteer Fire Department, Inc.
Mansura, Louisiana

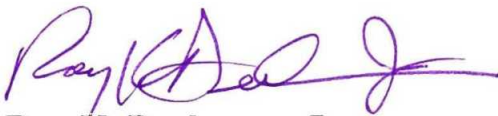
I have reviewed the accompanying statement of financial position of the Mansura Volunteer Fire Department, Inc. (a nonprofit organization), as of June 30, 2014, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

The supplementary information appearing on pages 11 and 12 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been reviewed from information that is the representation of management. I have not audited the supplementary information and, accordingly, do not express an opinion or provide any assurances on such supplementary information.



Roy K. Derbonne, Jr.
Certified Public Accountant

Alexandria, Louisiana
December 8, 2014

FINANCIAL STATEMENTS

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.

Mansura, Louisiana

STATEMENT OF NET POSITION

(UNAUDITED)

JUNE 30, 2014

	<u>TOTAL</u>
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 74,496
Accounts Receivable	85,374
Total Current Assets	<u>159,870</u>
CAPITAL ASSETS	
Building and Improvements	308,331
Equipment	674,093
Trucks	973,107
Construction in Progress	28,009
Total Capital Assets	<u>1,983,540</u>
Less: Accumulated Depreciation	<u>(1,337,658)</u>
Net Capital Assets	<u>645,882</u>
TOTAL ASSETS	<u>\$ 805,752</u>
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Current maturities of Long-Term Debt	\$ 31,286
Accounts Payable	3,653
Accrued Interest Payable	14,891
Total Current Liabilities	<u>49,830</u>
LONG-TERM LIABILITIES	
Notes Payable (Net of Current Portion)	<u>378,067</u>
Total Liabilities	<u>427,897</u>
NET POSITION	
Unrestricted (Deficit)	156,217
Investment in Capital Assets, net of Debt	221,638
Total Net Position	<u>377,855</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 805,752</u>

See Independent Accountants' Review Report.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.

Mansura, Louisiana

STATEMENT OF ACTIVITIES
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2014

SUPPORT AND REVENUE

Support - Fundraiser - Net	\$ 6,238
Revenue	
Ad Valorem Taxes	102,387
Intergovernmental Revenue	
Federal	7,129
2% Fire Insurance Rebate	13,773
Sales Tax Revenue	59,694
Avoyelles Parish Police Jury	1,080
Town of Mansura	20,000
Interest	86
Miscellaneous	1,965
Total Revenue	<u>206,114</u>
Total Support and Revenue	212,352

EXPENDITURES

Depreciation	113,298
Training	377
Interest	18,840
Insurance	19,083
Office	1,550
Repairs	26,092
Supplies	4,741
Telephone	2,074
Legal and Professional	950
Meeting Expense	3,936
Utilities	6,323
Uniforms	1,027
Fireman's Per Diem	4,550
Conference Expense	6,145
Fuel	4,248
Equipment Testing	7,887
Banquet	4,088
Other	3,645
Total Expenses	<u>228,854</u>

CHANGE IN NET ASSETS	(16,502)
NET POSITION, BEGINNING OF YEAR	<u>394,357</u>
NET POSITION, END OF YEAR	<u><u>\$ 377,855</u></u>

See Independent Accountants' Review Report.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.

Mansura, Louisiana

STATEMENT OF CASH FLOWS
(UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2014

CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:

Change in Net Assets	\$ (16,502)
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Adjustments to Reconcile Change in Net Assets
to Net Cash Provided by Operating Activities:

Depreciation	113,298
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(Increase) Decrease in Accounts Receivable	(13,262)
--------------------------------------------	----------

Increase (Decrease) in Accounts Payable	(4,989)
-----------------------------------------	---------

Total Adjustments	<u>95,047</u>
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NET CASH PROVIDED BY OPERATING ACTIVITIES	78,545
-------------------------------------------	--------

CASH FLOWS FROM INVESTING ACTIVITIES:

(Increase) Decrease in Construction in Progress	(23,009)
-------------------------------------------------	----------

Purchase of Equipment	<u>(21,968)</u>
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NET CASH USED BY INVESTING ACTIVITIES	(44,977)
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CASH FLOWS FROM FINANCING ACTIVITIES:

Increase (Decrease) in Accrued Interest Payable	(1,058)
-------------------------------------------------	---------

Payment of Principal on Notes Payable	<u>(29,893)</u>
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NET CASH USED BY FINANCING ACTIVITIES	<u>(30,951)</u>
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NET DECREASE IN CASH AND CASH EQUIVALENTS	2,617
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CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>71,879</u>
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CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 74,496</u>
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See Independent Accountants' Review Report.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.
Mansura, Louisiana

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

Fire Department

The Mansura Volunteer Fire Department, Inc. (Fire Department) was incorporated on September 12, 1988 as a nonprofit corporation as defined in Louisiana Revised Statutes of R. S. 1950 Title 12, Chapter 2, as amended. The Fire Department operates under a Board of Directors consisting of a president, vice-president, and secretary-treasurer. Board members are elected on an annual basis. The members of the Mansura Volunteer Fire Department vote on all matters brought before the Board. The Fire Department serves approximately 1,944 structures and meetings are held monthly. The following is a summary of certain significant accounting policies.

A. Financial Statement Presentation:

The Fire Department adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Fire Department is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions.

The Fire Department also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made" in accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. In addition, the Fire Department has not received any contributions with donor-imposed restrictions that would result in temporarily or permanently restricted net assets.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

C. Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments, which are readily convertible into cash within ninety (90) days of purchase.

D. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1st and are due and payable on or before December 31. All unpaid taxes become delinquent January 2 of the following year. The taxes are assessed by the Avoyelles Parish Assessor's Office and collected by the Avoyelles Parish Sheriff's Office. The taxes are then remitted to the Avoyelles Parish Police Jury on behalf of Fire Protection District No. 2. The Fire Department is one of 14 members in this District. After deducting a fee of \$40,000 to defray the expenses of the Board of Commissioners of the Fire Protection District, each member is guaranteed a base amount of \$25,000. Any remaining funds are distributed to the members on a basis of structures served.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.

Mansura, Louisiana

Notes to Financial Statements

E. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

F. Fixed Assets

Fixed assets acquired by the Fire Department are considered owned by it.

The Fire Department follows the practice of capitalizing, at cost, all expenditures for fixed assets. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets generally as follows:

Building and improvements	10 - 40 years
Furniture and equipment	5 - 25 years
Vehicles	5 - 20 years

The net fixed asset balance has been recorded as a separate component in unrestricted net assets.

G. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) Deposits and Investments

Deposits

At year-end, the carrying amount of the Fire Department's deposits was \$74,496 and the bank balance was \$74,641. Of the bank balance, \$74,641 was covered by federal depository insurance. Of this amount, \$17,588 was tax monies, which is restricted to expenditures on fire equipment and supplies.

Certificates of Deposit

The Fire Department had no Certificates of Deposit at June 30, 2014.

(3) Accounts Receivable

The Billed receivable balance at June 30, 2014 of \$85,374 consisted of property taxes due from the Fire Protection District No. 2 in the amount of \$73,358, from sales taxes in the amount of \$11,746 and \$270 due from the Avoyelles Parish Police Jury.

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.
Mansura, Louisiana

Notes to Financial Statements

(4) Fixed Assets

A summary of changes in Property, Plant and Equipment are as follows:

	Balance 6/30/13	Additions	Deletions	Balance 6/30/14
Land and buildings	\$ 308,331	\$ -	\$ -	\$ 308,331
Equipment	652,125	21,968	-	674,093
Trucks	973,107	-	-	973,107
Construction in Progress	5,000	23,009	-	28,009
Totals	<u>\$ 1,938,563</u>	<u>\$ 44,977</u>	<u>\$ -</u>	<u>\$ 1,983,540</u>

(5) Changes in Long-term Debt

The following is a summary of note transactions of the Fire Department for the year ended June 30, 2014:

Notes payable at 06/30/13	\$ 439,246
Debt issued	-
Principal payments	<u>(29,893)</u>
Notes payable at 6/30/14	<u>\$ 409,353</u>

Notes payable (current and long-term portions) are financed with Farmers Home Administration, Natchitoches, Louisiana.

Notes payable at June 30, 2014 consist of the following individual liabilities:

<u>Government Capital Organization</u> - \$204,000 note dated November 11, 2009 due in annual installments of \$19,999; interest at 5 per cent per annum; maturing in 2024; and is secured by tanker.	\$ 152,506
<u>Government Capital Organization</u> - \$172,051 note dated July 1, 2007 due in annual installments of \$16,876; interest at 4.85 per cent per annum; maturing in 2022; and is secured by pumper tanker truck.	120,583
<u>Red River Bank</u> - \$150,075 unsecured note dated September 7, 2012 due in monthly installments of \$1,076 interest at 3.5 per cent per annum; maturing in 2027.	<u>136,264</u>
Total Notes Payable	409,353
Less Current Portion	<u>(31,286)</u>
Long-term Portion	<u>\$ 378,067</u>

MANSURA VOLUNTEER FIRE DEPARTMENT, INC.
Mansura, Louisiana

Notes to Financial Statements

The annual requirements to amortize all notes outstanding at June 30, 2014 are as follow:

Period Ending June 30,	Principal	Interest	Total
2015	\$ 31,286	\$ 18,506	\$ 49,792
2016	32,745	17,047	49,792
2017	34,273	11,480	45,753
2018	35,876	10,193	46,069
2019	37,552	12,238	49,790
2020-2024	198,733	33,085	231,818
2025-2027	38,888	2,265	41,153
Totals	<u>\$ 409,353</u>	<u>\$ 104,814</u>	<u>\$ 514,167</u>

(6) Retirement Commitments

Individuals who serve the Fire Department are volunteers; therefore, there is no liability for retirement benefits.

(7) Commitments and Contingencies

As of June 30, 2014 there were no lawsuits against the Fire Department.

(8) Federal and State Grants

The Fire Department received a forestry grant for the purchase of equipment in the amount of \$7,129. The total cost of the grant has not been expensed as of June 30, 2014.

SUPPLEMENTAL INFORMATION

Roy K. Derbonne, JR., LLC

Certified Public Accountant
1101-A Bolton Avenue
Alexandria, Louisiana 71301-6878

Tel: 318-445-6778
Fax: 318-445-8967

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Mansura Volunteer Fire Department, Inc.
Mansura, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of Mansura Volunteer Fire Department, Inc. and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Mansura Volunteer Fire Department, Inc.'s compliance with certain laws and regulations during the year ended June 30, 2014 included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedure engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the year by grant and grant year.

The Volunteer Fire Department received \$7,129 of federal grant money. Expenditures of the grant funds will occur in the next fiscal year in accordance with the grant requirements.

Meetings

2. Examine evidence indication that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12(the open meeting law).

Management provided me with the newspaper clippings announcing the Fire Department meetings and I observed the notice posted on the fire station building.

Comprehensive Budget

3. For all grants exceeding five thousand dollars, determine that each applicable federal, state, or local grantor agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants that included specific goals and measures of performance.

Mansura Volunteer Fire Department, Inc. received a grant in the amount of \$7,129. All grant requirements were followed with respect to that specific grant.

Prior Comments and Recommendations

4. Review prior year suggestions, recommendations, and/or comments and indicate the extent to which such matters have been resolved.

There were no prior year comments and/or suggestions to review.

Other Compliance Matters

5. Review expenditures paid with ad valorem tax monies to determine that expenditures were spent in accordance with the tax issue approved by voters.

I reviewed 136 and noted all expenditures were for equipment, buildings, supplies and training in accordance with the ad valorem tax issue and also for proper documentation and approval.

I was not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Mansura Volunteer Fire Department, Inc. and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.



Roy K. Derbonne, Jr.
Certified Public Accountant

Alexandria, Louisiana
December 8, 2014

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Agencies)

12/8/14 (Date Transmitted)

Mansura Volunteer Fire Dept., Inc

(Auditors)

In connection with your review of our financial statements as of

December 31, 2014 and for the period then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representation).

Federal, State, and Local Awards

We have detailed for you the amount of federal, state, and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No []

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No []

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No []

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No []

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by R.S. 42:11 through 42:28 (the open meetings law). **Note: Please refer to Attorney General Opinion No. 13-0043 and the guidance in the publication "Open Meeting FAQs," available on the Legislative Auditor's website at <http://app1.la.state.la.us/lla/la.nsf>, to determine whether a non-profit agency is subject to the open meetings law.**

Yes ☒ No []

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Yes ☒ No []

Reporting

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief financial officer.

Yes [☒] No []



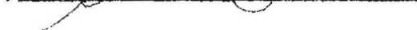
Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [☒] No []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

	Secretary	<u>12/27/14</u>	Date
	Treasurer	<u>12/27/14</u>	Date
	President	<u>12/27/14</u>	Date